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Third Session, Twenty-Second Parliament, 4-5 Elizabeth II, 1956.

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## THE SENATE OF CANADA

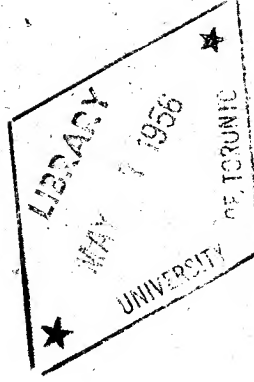
### BILL R<sup>6</sup>.

An Act to incorporate The Canadian Provincial Insurance Company.

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AS PASSED BY THE SENATE, 26th APRIL, 1956.

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EDMOND CLOUTIER, C.M.G., O.A., D.S.P.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1956

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## THE SENATE OF CANADA

### BILL R<sup>6</sup>.

An Act to incorporate The Canadian Provincial Insurance Company.

Preamble.

WHEREAS the persons hereinafter named have by their petition prayed that it be enacted as hereinafter set forth and it is expedient to grant the prayer of the petition: Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:— 5

Incorporation.

1. William George Child, of the town of Montreal West in the province of Quebec, insurance executive; John Campbell Brown, of the city of Montreal, in the province of Quebec, insurance executive, and Alexander John 10 Campbell, of the city of Westmount, in the province of Quebec, advocate and Queen's Counsel, together with such persons as become shareholders in the company, are incorporated under the name of The Canadian Provincial Insurance Company, and, in French, La Compagnie 15 d'Assurance Canadienne Provinciale, hereinafter called "the Company".

Provisional directors.

2. The persons named in section 1 shall be the provisional directors of the Company.

Capital stock.

3. The capital stock of the Company shall be one 20 million dollars, divided into shares of one hundred dollars each.

Subscription before general meeting.

4. The amount to be subscribed before the general meeting is called for the election of directors shall be five hundred thousand dollars. 25

Head office.

5. The head office of the Company shall be in the city of Montreal, in the province of Quebec.

Classes of  
insurance  
authorized.

6. The Company may undertake, transact and make contracts of insurance for all or any of the following classes of insurance:—

(a) fire insurance;	
(b) accident insurance;	5
(c) aircraft insurance;	
(d) automobile insurance;	
(e) boiler insurance;	
(f) credit insurance;	
(g) earthquake insurance;	10
(h) explosion insurance;	
(i) falling aircraft insurance;	
(j) fidelity insurance;	
(k) forgery insurance;	
(l) hail insurance;	15
(m) impact by vehicles insurance;	
(n) inland transportation insurance;	
(o) live stock insurance;	
(p) machinery insurance;	
(q) marine insurance;	20
(r) personal property insurance;	
(s) plate glass insurance;	
(t) real property insurance;	
(u) sickness insurance;	
(v) sprinkler leakage insurance;	25
(w) surety insurance;	
(x) theft insurance;	
(y) water damage insurance;	
(z) weather insurance;	
(aa) windstorm insurance.	30

Subscription  
and payment  
of capital  
before  
commencing  
business.

7. (1) The Company shall not commence any business of insurance until at least five hundred thousand dollars of its capital has been bona fide subscribed and at least that amount paid thereon. It may then transact the business of fire insurance, accident insurance, automobile insurance, 35 boiler insurance, inland transportation insurance, machinery insurance, real property insurance, sickness insurance, theft insurance, and in addition thereto, civil commotion insurance, earthquake insurance, limited or inherent explosion insurance, falling aircraft insurance, impact by vehicles 40 insurance, hail insurance, sprinkler leakage insurance, water damage insurance, weather insurance and windstorm insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company.



Additional  
amounts for  
certain  
classes of  
insurance.

(2) The Company shall not commence any of the other classes of business authorized by section 6 of this Act until the paid capital, or the paid capital together with the surplus, has been increased by an amount or amounts depending upon the nature of the additional class or classes of business, as follows, that is to say:—for aircraft insurance, the said increase shall not be less than forty thousand dollars; for credit insurance not less than forty thousand dollars; for earthquake insurance not less than ten thousand dollars; for explosion insurance not less than forty thousand dollars; for falling aircraft insurance not less than ten thousand dollars; for fidelity insurance not less than fifty thousand dollars; for forgery insurance not less than forty thousand dollars; for hail insurance not less than fifty thousand dollars; for impact by vehicles insurance not less than ten thousand dollars; for live stock insurance not less than forty thousand dollars; for marine insurance not less than one hundred thousand dollars; for personal property insurance not less than twenty thousand dollars; for plate glass insurance not less than twenty thousand dollars; for sprinkler leakage insurance not less than ten thousand dollars; for surety insurance not less than fifty thousand dollars; for water damage insurance not less than twenty thousand dollars; for weather insurance not less than twenty thousand dollars; and for windstorm insurance not less than fifty thousand dollars. 5 10 15 20 25

Periodic  
increase of  
paid capital  
and surplus.

(3) The Company shall, during the five years next after the date of its being registered for the transaction of fire insurance, increase its paid capital and surplus so that at the end of the first year it will be at least fifteen thousand dollars more than is required under the foregoing subsections of this section, and at the end of the second year at least thirty thousand dollars more than so required, and at the end of the third year at least forty-five thousand dollars more than so required, and at the end of the fourth year at least sixty thousand dollars more than so required, and at the end of the fifth year at least seventy-five thousand dollars more than so required. 30 35

When  
Company  
may  
transact any  
or all classes  
of insurance  
business.

(4) Notwithstanding anything to the contrary contained in this section the Company may transact all or any of the classes of insurance business authorized by section 6 of this Act when the paid capital amounts to at least five hundred thousand dollars and the paid capital together with the surplus amounts to at least one million dollars. 40

"Surplus"  
defined.

(5) In this section the word "surplus" means the excess of assets over liabilities, including the amount paid on account of capital stock and the reserve of unearned premiums calculated *pro rata* for the unexpired term of all policies of the Company in force.

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Power to  
acquire  
rights, etc.,  
of a certain  
insurance  
company.

8. (1) The Company may acquire by agreement to insure or otherwise the whole or any part of the rights and property within Canada and may assume the obligations and liabilities within Canada of Monument Insurance Company Limited having its head office at Stramongate, Kendal, 10 England, hereinafter called "Monument", and in the event of such acquisition and assumption the Company shall perform and discharge all such obligations and liabilities of Monument with respect to the rights and property *acquired as are not performed and discharged by Monument.* 15

Duties in  
such event.

Approval of  
Treasury  
Board.

(2) No agreement between the Company and Monument providing for such acquisition and assumption shall become effective until it has been submitted to and approved by the Treasury Board of Canada.

R.S.c. 31 to  
apply.

9. The *Canadian and British Insurance Companies Act* 20 shall apply to the Company.